

## WARREN DISTRICT MINES OPERATIONS FOR WEEK

Warren Realty and Development Co. Stock Should Prove the Best Buy on the Market for a Speculation, With Permanent Values Assured.

Money Is Scarce, Combined With New Flotations, Has Caused a Depression in Bonanza Mining Stocks, and No Rapid Increase Is Expected Shortly.

A New York Investor Wants to Know About the Empire State Company—Weekly Resume of the Work About the District for the Week Just Past.

For a speculative stock, with quick returns, the Review would advise the purchase of Warren on the local board. Warren is a safe investment almost any way you look at it, and the real estate and street car features connected with this company, surround it with extra confidence for increased values and dividends in the near future. It takes a long time to develop a copper mine and put it on a paying basis, but the sale of lots at a fancy figure and the income from a rapid interurban street railway is what we would term small sales and quick profits.

The great majority of the patents for the Warren ground have been received at the office of the Warren Realty & Development company at Bakersville. The remainder of the patents are expected next week, and before the first day of June we may expect to hear the sound of the hammer and saw at Warren, which bids fair to be the prettiest residence portion of the district, located about two miles from the main business portion of Bisbee. Mr. Van Dyck, who arrived here about three months ago, is to have charge of the Warren Realty interests, and we understand he is all ready to do business, just as soon as the last patent for the Warren ground has been received and recorded at Tombstone. The El Paso & Southwestern will erect a freight and passenger depot at Warren. The site will be below the Bakersville Hotel.

When we come to investigate the value of Warren stock, we must not overlook the development end of this company. The Warren company owns the largest area of undeveloped ground in the district and adjoins American, Saginaw, Junction and Calumet & Pittsburg, and includes the claims of the old Calumet & Cochise Dev. Co., repurchased from the original owners at a price of \$100,000 after the Cochise Dev. Co. was forced to suspend development work with a shaft eight hundred feet deep, for lack of funds. Connected with Warren we have possible and very probable mining values, real estate values assured, which is estimated to be worth the capitalization of the company alone, and the street railway values as a side issue. As soon as the Warren townsite is thrown open to an eager public, watch for a rise in Warren stock, and set the peg around the \$20 mark.

Thos. F. Cole and party, with the exception of Thos. Collins and Capt. Jas. Hoatson, have departed. The latter two gentlemen are here to remain until after the annual meeting of the Calumet & Arizona Company on April ninth. After leaving Bisbee the party visited some copper properties in Pinal county, located about nine miles from the scene of operations of the Lake Superior & Arizona Company. Capt. Hoatson made an examination of the new district, but when broached for a statement replied that he had nothing to give out at this time. It is the general expectation that at the meeting of the stockholders of the Calumet & Arizona Company here next week, the annual statement will be good news to all concerned.

The development work of the district during the past week has been devoid of any startling features, but on the whole, has been entirely satisfactory. To quote Capt. Hoatson, who has been making a careful examination of all the properties, he says:

"I find the Bonanza Circle mines in good condition and the development work under way will undoubtedly show good results this year."

The stock trading market appears to be suffering from a lack of easy money to carry on the vast industrial enterprises that are under way in the west, and at the same time provide easy call money for speculative purposes. There is a place to put every dollar apparently, and the big rail road companies, which are making their betterments in the west and calling for millions of dollars for this purpose, have the first call on the money of the country.

Locally the depressed condition of the stock market is attributable to practically the same cause. The new flotations with which the name of Thos. F. Cole et al. has been prominently connected, has called for vast sums of money. Bisbee stocks were dumped on the market in order to buy into new companies, and there has been a stampede away from Bonanzas. But the Bonanzas will be all right. They are all right today, and are looking better underground than ever before in their history.

The slump in Denn stock no doubt was caused by the failure of the Denn shaft at a depth of 1000 feet to encounter any ore indications. The work that is planned by drifting in the direction of the drill hole on this ground, where ore was encountered, should bring the stock up the ladder again, but Denn is now in a position where the company will have to deliver the goods before any big increase in the stock may be expected.

The Review is in receipt of a letter from an intending purchaser of Empire State Mining Company stock. The letter is dated at New York City, March 26, and says:

"Will you kindly inform me what you know about the Empire State Mining Company, who claim to have mines at your place which are very valuable?"

The demonstration of whether the claims owned by the Empire State Company, consisting of eleven in number, and located about five miles from Bisbee in a section of the district of which little is known, depends entirely upon development work in progress now, and to be continued. The ability to continue the development work to sufficient depth depends upon the financial condition of the treasury of the company. A good question to ask would be: How much money is F. L. Gullame, R. E. King, A. W. Dagget, L. E. Brownell, Philip Owen, W. L. Scott, W. A. Fenn and J. G. Pritchard investing in the stock of the company? These men are directors of the Empire State. If they are willing to invest their money in order to develop the property, it is a pretty good sign that they honestly believe the prospects now in sight warrant further expenditures in order to make a mine. The Empire State property is far from being a valuable mine. What further development work will disclose no one can tell. Confidence in the directors and a willingness in deciding whether he wants to take the same chances. It takes money, and lots of it, to put a small group of copper claims on a paying basis. That is the reason stock is offered to the general public. When the mine is developed to the producing stage there will be big returns, but it is a long jump from a 14-inch stringer of ore to a producing copper mine.

## TOMBSTONE MINE

Twenty New Stamps Will Be Dropping at the Mill This Week.

250 TONS CAPACITY EACH 24 HOURS.

Large Bodies of Ore Are Being Opened Up in the Upper Levels.

Special to Review.) Tombstone, March 31.—Work on the Tombstone properties of the Consolidated Company is progressing very satisfactorily, and every day sees the opening up of ore bodies in the workings of the mine that was thought to have been worked out long ago.

The mill is crushing at the rate of over 100 tons per day, and the coming week will see the other 20 stamps dropping, increasing the amount of ore consumed to 250 tons per twenty-four hours. During the past week a number of minor changes have been made in the connections of the slimes, etc., which will materially facilitate the handling of the tailings. The zinc room has about been completed, and the work of treating some of the concentrates will be started during the coming week. Regular shipments of concentrates are being made to the smelters at El Paso, which are said to pay most handsomely. The refining furnaces were fired up on Tuesday and tested preparatory to making a partial clean-up. Carpenters have been at work during the past week, building flumes for the carrying off of the waste waters, which have been causing trouble by seeping back into the old Tombstone workings, and which recently broke through and flooded that shaft. The water is now carried over the ridge into the adjoining gulch.

At the big shaft development work is being carried on in the upper levels and large bodies of low grade ore are being opened up that will suffice to run the mill for some time. All of the ore at the present time being used at the mill is being hauled here, besides shipments of another grade of ore being sent to El Paso daily. There has been no sinking attempted in the shaft since the 1st of January, the pumps being run only at a speed sufficient to keep the water below the 700-foot level. Two more sinking pumps are expected to arrive almost daily and will be put in use at once. When these are put to work, with the others, the water will be lowered slowly until the three new marine boilers have been received and put in place, at which time all of the pumps on the 600 and 700 levels will be put in action and the water lowered without any trouble.

It is the intention then to sink the four compartment shaft to the 1000-foot level as fast as the three eight-foot shafts can do the work. A new cable house has just been completed on the old concentration dump and has been fitted up with new fixtures for the making of new and repairing old cables. A new cablemaker has just arrived from Bisbee to take charge of the work.

At the Emerald, under the direction of Foreman Corbett, considerable development work has been done since our last report. The ore being taken from the bottom of the shaft and in the drifts on the lower level, still continue to carry values of 7 or 8 per cent. copper, besides good values in gold, silver and lead. Regular shipments are being made to the smelters at El Paso and this property of the Consolidated Company is a most encouraging one. At the Tranquility the work of rebuilding the hoist that was burned down a few months since is being hurried to completion. The work was delayed on account of the carpenter force being kept busy at the mill. The grade and track for the use of ore trains has been completed to the site of the new ore bins. It is the intention of the company to use most of the ore that is run through the mill from the Tranquility. The hoisting engine and boiler that was formerly at the Stonewall or Oregon, has been moved to this place and will be installed as soon as the building has been completed.

At the Silver Thread and Toughnut properties, under the direction of Roger Sanders, everything is running smoothly, and the latter is producing over a car a day, which is shipped to El Paso.

In the Lucky Cuss, Geo. Rafferty as foreman, is opening up good bodies of ore, and during the past month shipments have been on the increase to the El Paso smelters. The outlook for the Consolidated Company is very encouraging. Messrs. Gage & Stanton are more than pleased with the results being obtained at all of the mines and the mill promises to exceed the most sanguine hopes. That the management is meeting with such good success goes to prove their theory that the Tombstone mines were not worked out above as well as below the water level, and the management are to be congratulated upon their success. For years they have been spending hundreds of thousands of dollars in getting the properties in shape and have at last begun

to realize some return on the investment.

Other Properties. Outside of the Consolidated Company, there are a number of properties upon which development work is being done and which give employment to quite a number of men. The Herschell Company, composed of El Paso people, is making a dividend-paying property out of the Herschell, which was purchased recently from Ben Cook and Delegate Mark Smith. Work on the 100 and 200-foot levels has opened up considerable ore and shipments have netted as high as \$5,000 per car. The property is only down to a depth of 250 feet, and with sinking, and a continuation of the ore bodies in depth, promises to become one of the best properties in the camp. Work which was resumed at the Little Devil, or Old Glory, recently has shown every indication of once more resuming its producing abilities. Capt. Kelton, formerly of Tucson, is looking after the management of the company's interests, while the work is under the direct supervision of Wm. Tomlinson, formerly connected with the Consolidated Company. The work of cleaning out the old stopes and drifts has consumed sometimes, but development work has now commenced in earnest and some small bodies of ore have already been encountered that promise to open up in good shape.

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The Old Guard and Lucksure companies are getting matters in shape for an early resumption of work. Ed Shaw, who was formerly acting superintendent for the companies, has recently returned from a trip to Chicago, where he was in conference with the officers and directors of the company in regard to resuming work. He expects some of the members of the company out during the first part of April, when he expects to have a force of men at work.

Frank Hopkins, who purchased the Baker property, has let a contract for the running of a cross-cut in the old shaft and a force of six men are now at work. The property adjoins the Wilson-Benton property, south of the Emerald, and is a lime formation, showing good croppings of manganese.

In the same locality, D. McGinnis is at work on his claims and is getting out ore preparatory to making another shipment to the El Paso smelters.

John Rainey is at work on his claims, about a mile south of the Emerald and is running a crosscut to cut the ledge. He has completed 25 feet of the work, and expects that another 20 feet will cut the ore body. Considerable work was done on the property while it was under bond to Carolina parties, but they did not get far enough to crosscut the ledge. Croppings from the ledge on the surface show fair values in both gold and silver.

Messrs. Briggs & Brewster, who are at work on the old Randolph property, have recently encountered a large body of chlorite ore that shows considerable born silver and carries gold values above the average. They have made some shipments of manganese to the El Paso smelters that paid them well. The new strike will encourage them in their work.

## NACÓZARI IMPROVEMENT

Plans Are Now Being Perfected for Doubling Mochtezuma Co.'s Capacity.

NEW RAILROAD LINE WILL BE BUILT.

Superintendent James Douglas, of the Mochtezuma Copper Company, and President of the Nacozari Railroad Company, was in Bisbee on Friday and left Saturday morning for Nacozari, in company with Governor Yasabal, of Sonora, who is going to the Mochtezuma district to inspect the mining development that is in progress in that part of his State. The party left Saturday morning from Douglas in the private car Nacozari and expect to return to Bisbee on Tuesday, where Governor Yasabal will for the first time, visit the mines of the Copper Queen and Bonanza Circle. Governor Yasabal is highly respected as the chief executive of our neighboring State, in Sonora, and by his efforts and uniform courteous treatment to foreigners, has been one means of inducing large capital to be invested in the mines of Sonora. Here, Superintendent J. S. Douglas stated that the Mochtezuma Copper Company was making plans and inaugurating the work for an increased production from the Nacozari mines this year and by the last of 1906 expect to have doubled the present capacity.

The narrow-gauge railroad from the mines to the concentrator is to be rebuilt and extended, in preparation for handling the increased ore production. The concentrator is to be remodeled and enlarged and surface equipment rebuilt and remodeled. The surface improvements, outside of the plant, will also include a new hospital building, several new reef

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## FIVE POINTS CO.

Have a Deal on With Denver Parties for Sale of 200,000 Shares.

GEORGE W. ROSE, M. E., MAKES EXAMINATION.

Every Foot of Development Work Done Is Showing Up Better.

Milo W. Porter, who has been in charge of the past two months representing the Five Points Copper Co. of Globe, is in receipt of a letter from A. T. Hammons, cashier of the Old Dominion Commercial Co., at Globe, telling of the progress of the work at the mines and the plans of the company for the future. Several hundred shares of the stock in this company is held in Bisbee.

Mr. Hammons writes that the company has two very important deals on hand with some Colorado people; one for the sale of the property and another for the sale of 200,000 shares of the treasury stock at par. Mr. Porter states that he has been advised since the receipt of the above mentioned letter that no subscriptions for stock will be received at the present in excess of the two thousand shares already allotted to Bisbee.

Mr. Britt, president of the company, left Globe last week for Denver for the purpose of making one of the above mentioned trades, and should he succeed, the treasury stock would be all sold and sufficient funds on hand for the complete development of the property.

In a letter under date of March 24 Mr. Hammons writes to Mr. Porter as follows:

"We have no fear now but what the Five Points is a success, from the various communications we have received during the past ten days. Some of our correspondents will become interested, and we will either make a sale or else we will sell enough of our treasury stock to complete our plan and put our property on a dividend basis. Mr. Britt tells me that every foot of development work that is being done is showing up better, and as soon as we make connection with the old incline to give us air, we will be in stoping and shipping to the smelter."

The property of the Five Points Co. in the Globe district was recently examined by Geo. W. Rose, M. E., west ern representative of the Traylor Engineering Co., of 115 Liberty St., New York. His report was a flattering one, and sustained all the claims made for the property in the past.

A shipment of ore was received this week from Globe by Mr. Porter from the Five Points property, and is on display at the First National Bank. Mr. Porter is notified to the contrary, Mr. Porter will still continue to receive subscriptions for stock at his office in the Muhlen building. The stock is offered for sale at par in three installments, with payments each three months, or for cash in full as preferred. The company is capitalized at 500,000 shares at \$1.00 each, totaling at 500,000 shares at \$1.00 each.

This stock is sold under a guarantee, as heretofore. Full particulars regarding this property may be had at the First National Bank in Bisbee or by calling on Milo W. Porter, fiscal agent, Muhlen building.

## CAPT. JAS. BURNS HERE

Was One of the Original Owners of Chiricahua Group of Claims.

WILL VISIT PARADISE BEFORE LEAVES DISTRICT

Capt. James Burns, an old pioneer of the Cochise county mining districts, and one of the original owners of the group of claims at present under bond to the Chiricahua Development Company, operating in the Paradise district, is in the city today, accompanied by Capt. James Duncan, who is also interested as one of the original owners. These gentlemen will go to Paradise the first part of next week to inspect the development work being carried on at the camp of the Chiricahua Company and to look over the Paradise district in general.

When Capt. Burns and Capt. Duncan go to Paradise next week they will be accompanied by Superintendent McHenry of the Arizona Mining & Development Company, at present operating in the San Jose Mountains, nine miles from Naco. Mr. McHenry was for a long time mine superintendent at Chiricahua for the Greene Consolidated Copper Co., and his opinion on a mining proposition is highly respected in this section.

Capt. Burns has been absent from Bisbee for almost a year, during which time he spent several months in New Mexico and Northern Arizona and will leave shortly for the State of Washington to inspect a copper and gold mine in that State. In Yavapai county the Captain now has a force of men at work on some old claims at "Rands," forty miles southwest of Prescott. From the small amount of development work done Capt. Burns believes that he has a good prospecting with a large deposit of gold-bearing ore that will average \$10 to the ton.

## WALKER'S COPPER LETTER

NOTED COPPER AUTHORITY IS OF THE OPINION THAT THE PRICE OF COPPER WILL BE MAINTAINED FOR SEVERAL MONTHS TO COME.

(Boston Commercial.)

That the price of copper will be maintained for several months to come is now assured. Both foreign and domestic consumers have come into the market and are buying Lake at 18 1/2 to 18 3/4 cents and electrolytic sold on Monday than any preceding day in three months. None of the buyers cover new contracts for wire and other manufactured goods.

No surplus of copper accumulated in this country during the past three months of dullness. The buying movement of last December took care of all the copper that has come from the refineries since April and began to manifest itself two weeks ago.

There is almost no April or May copper available now, and the demand for spot deliveries is so urgent that it would be an easy matter for the producers to mark the price up to 20 cents and make sales at that figure. The position of the London "G. M. B." market is such that no human agency spot up to £100 per ton. There are at the most only a few thousand tons therefore, would be at the mercy of the bulls until new supplies of metal could be secured from this country.

One of the largest and most conservative interests in the trade says: "The past year has witnessed a very large increase in copper production, and consumptive demand has expanded sufficiently to absorb it. There has been a slight falling off in European consumption, resulting from the dispute. It is this curtailment that is keeping the price of copper down to 18 1/2 cents. Approximately 50,000,000 pounds of copper is now consumed monthly in the United States. Should there be an early revival of business activity in Europe, copper would sell at 20 cents per pound. It is likely to be at 18 cents."

There has been considerable liquidation of speculative holdings of copper stocks and the market is now in position to take a rest or to resume broad speculation for some time to come, it is quite probable that prices will gradually work higher on cash investment buying. Orders for daily from all parts of copper stocks are coming into the market absorbing the floating supply of stocks.

It is now certain that the price of copper will be maintained for several months to come. The unprecedented profits now being earned by the large producing companies will force further dividend increases all along the line. There is nothing that operates more favorably on the market prices of stocks than dividend increases. This fact was brought out prominently when Wolverine raised its semi-annual disbursement to \$8 and the stock advanced to \$13. There are other stocks which are likely to move in the same way. I would buy Amalgamated, Butte Coalition, Calumet & Arizona, Copper Range, Granby, Greene Consolidated, Mohawk, North Butte, Orocopia, Quincy and Utah Consolidated at present market prices and on every slight reaction.

Amalgamated's position is now so much stronger than it ever was in the past that the stock can be safely bought around present prices for a permanent investment. Its dividend rate will undoubtedly be increased and permanently maintained at a higher average than in the past. The company is easily earning at the rate of \$13 per share and has a cash surplus of approximately \$10,000,000. It is quite probable that the stock will be restored to the original basis of 8 per cent dividends in the near future.

The importance of recent developments in the Butte camp, their bearing upon the present and prospective future value of Amalgamated's stock will be discussed at length in next week's letter.

Butte Coalition is at present producing at the rate of 35,000,000 pounds of copper annually. There will be a considerable increase in this in the near future, and it is believed that the company will eventually produce at the rate of 60,000,000 to 75,000,000 pounds of copper annually, and perhaps more.

As has been pointed out previously, a very large number of the properties owned by the company which have been tied up by litigation, will, for example, produce a great deal of copper. The Nipper group, for example, which is located in the heart of the Butte camp, being surrounded by the best mines of the Anaconda, Boston & Montana, Parrot and Clark companies, have recently been producing any ore at all. They have an extensive arse and when the minority interest, owned by Amalgamated, is adjusted, this group may develop into one of the largest and most profitable producers in the district.

It is understood to be the policy of the company's management to mine its properties wherever convenient in conjunction with those of the several Amalgamated sub-companies. This will make the sinking of new shafts unnecessary, and the properties can be explored, opened and mined from the "bottom," or from great depth. There are many places where at points where they entered the United Copper properties, or disputed companies to mine the ore at such points and, in exchange, Coalition will mine and hoist Amalgamated ores at many other points. This will not only result in great economy for both companies, but will make possible a much more rapid increase in production than could possibly be secured if it were necessary to sink and equip new shafts.

The Snohomish and Tramway claims, known to have great value, are owned jointly by Butte Coalition and Butte & Boston. The litigation over these properties had already reached a stage making necessary their sale at auction from the Courthouse steps in Butte. They will undoubtedly be divided between the two companies and opened by crosscuts at a depth of about 1,400 feet through adjacent mines. In view of the wonderful progress of the North Butte company, which owes the rapid development of tremendous bodies of high grade ore to the fact that the several levels of the old Speculator mine, the excellent prospects of the Butte Coalition company, which is in much the same position now that North Butte was a year ago, can be appreciated.

Greene Consolidated's stock is expected to be re-listed on the Boston Stock Exchange early next month. This will have a tendency to encourage speculation in it and its advance in price should thereafter be more rapid. I would call attention to the fact that throughout the past two or three weeks of declining prices Greene Consolidated has been one of the strongest stocks on the market. This would seem to indicate that when the present general liquidation has run its course this stock will have a substantial advance.

A simple way to measure the future prospective value of Greene stock is as follows: The company is at present producing at the rate of 25,000,000 pounds of copper annually, or 65 pounds for each share of stock outstanding. If, therefore, its net profits are figured at 7 cents per pound of copper produced, it will readily be seen that its current earnings must be at the rate of \$4.55 per share. The company is now increasing the capacity of its mills and smelter to provide for a much larger production, and within three or four years its output should be at the rate of 100,000,000 pounds annually, or 100 pounds for each share of its stock. If its profit per pound is still 7 cents on the larger production, therefore, its earnings will be \$7 per share, or sufficient to warrant the stock in selling at \$75.

These improvements and extensions in its mills and smelters are not expected to increase the company's production alone, but they will also greatly reduce the cost of producing its copper. High authorities estimate that after the completion of the proposed extensions, the introduction of mining reforms and the great reduction in timber costs to result from obtaining its supply from the Sierra Madre Land & Lumber company, of the stock of which it has recently purchased a controlling interest, it will be able to show earnings of \$10 per share when copper sells at its present price.

Such an opportunity for investment as is offered by Greene Consolidated stock at around \$29 to \$30 per share is seldom presented. It is already paying dividends which aggregate \$2.40 per share yearly, or at the rate of 8 per cent on \$30 per share. There is every reason to believe that within three or four years the company will be in shape to pay approximately double this dividend rate, and when it does it is safe to predict that its stock will be selling for more than twice its present price. I would advise the purchase of this stock at any price up to \$40 per share.

GEO. L. WALKER.